

FISCAL NOTE

SB 3922 - HB 4043

March 20, 2006

SUMMARY OF BILL: Specifies that when the education of a child becomes the state's direct responsibility for any reason, the Commissioner of Education must pay to the state agency responsible for the child an amount equal to the state funds, plus the local funds, which would otherwise be expended on the child if the child had not been placed in state care.

ESTIMATED FISCAL IMPACT:

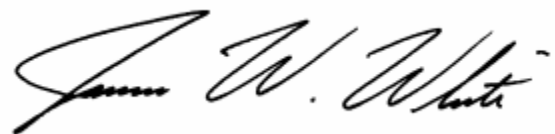
Other Fiscal Impact - The impact of the bill would be a shift in interdepartmental revenue. This bill would not change the amount of BEP funding presently generated annually; however, such funding would no longer be transferred among LEAs with regard to the education of children in custody who attend public schools throughout the state. Under the provisions of the bill, an LEA would retain whatever portion of the amount that was deducted to pay for educating children in custody originating there and attending public school in other LEAs.

Assumptions:

- BEP funds in LEAs from which children in custody originate who are placed in the state's Youth Development Centers or group homes would continue to be deducted as they are currently.
- BEP funds that are currently transferred annually among LEAs for children in state custody who attend public school in a school system other than the one from which they originate would no longer be transferred.
- Because of this change, LEAs that lose funding under the current system (because they educate children in custody who originate in other systems with a lower per diem) would no longer lose funding. Other systems that may receive additional funds (because they educate children in custody who originate in systems with a higher per diem rate) would no longer receive those funds.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director